THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir. Government has decided to disinvest 25% equity of VSNL to strategic partner and 1.97% to the employees of the Company.

(b) to (d) The advertisements seeking Expressions of Interest from interested parties to act as advisor(s) to the Government and to acquire the stake offered under disinvestment have been issued separately. The last dates for seeking expressions of Interest for advisor(s) is 22-2-2001 and from parties interested in acquiring the stake is 10-4-2001.

Disinvestment of Government shares in VSNL

386. SHRI NILOTPAL BASU: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government are going ahead with disinvestment of Government shares upto 26 per cent in VSNL.

(b) if so, whether it is also a fact that in the course of consultation the Department of Telecommunication had asked Government to have a separate meeting with Ministry of Home Affairs to examine and address the security concerns arising out of the privatisation of VSNL; and

(c) if so, the details thereof and the outcome thereto?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Government have, in February, 2001, decided in principle to retain 26% equity of VSNL and to disinvest the rest.

(b) and (c) security concerns would be suitably dealt with in consultation with department of Telecommunication and Ministry of Home Affairs at the time of disinvestment.

Amount invested in ERBC, ONGC, and OIL in NE region

387. SHRI DRUPAD BORGOHAIN: Will the Minister of DISINVESTMENT be pleased to state:

(a) the total amount invested by Government in ERBC, ONGC and OIL in North-Eastern region;

(b) the percentage disinvestment already made in these companies; and

(c) the percentage proposed to be disinvested now?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Total amount invested by the Government in the equity of ONGC is Rs. 1199.34 crore and in OIL is Rs.210 crore. ERBC is a unit within ONGC.

(b) Government has disinvested 15.89% in terms of present paid up capital in ONGC. Government holds 98.13% of total capital of OIL and its employees hold the balance.

(c) there is no proposal for disinvestment in ONGC and OIL.

Disinvestment Target

388. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government would not be able to meet budgeted disinvestment target of Rs. 10,000 crore this fiscal year;

(b) if so, what are the reasons therefor;

(c) by when the aforesaid target is likely to be achieved; and

(d) the details of steps taken in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) Out of the 40 central Public Sector enterprises in which disinvestment of Government equity was carried out till 31st March, 2000, minority stake were sold in 39 cases. Only in one case, *viz.* Modern Foods Industries Ltd., strategic sale was conducted. In view of the inherent advantages of disinvestment through strategic sales as compared to sale of minority states, the emphasis was laid on adopting strategic sale method of disinvestment in most of the Public Sector Enterprises. Typically, the time period taken to complete the strategic sale transactions is longer than the time taken to complete minority sales. Further, disinvestment in the Central Public Sector Enterprises is carried out as per a prescribed transparent process. The completion of the disinvestment exercise depends on various factors like market conditions, time taken by the prospective bidders for due diligence, finalization of the agreements, response from the investors to the stake offered etc. In view of such market related factors it is not possible to adhere to any strict schedule for disinvestment. Moreover, Government is committed not to disinvest in distress to meet any targets whatsoever. Nevertheless, every attempt is made to ensure that delay is avoided, by streamlining procedure.